

WHAT IS CLAIMED IS:

1                   1.       A method for coordinating an Internet-based financial transaction  
2 between an Internet merchant and a customer, the method comprising:  
3                   receiving, with a payment network, a first information packet from the Internet  
4 merchant, the first information packet comprising a credential assigned to the customer and  
5 transaction information specifying at least a cost of the Internet-based financial transaction;  
6                   determining from the credential, with the payment network, account  
7 information that identifies a financial account maintained by the customer at a financial  
8 institution and authorization information that allows debit access to the identified financial  
9 account;  
10                  generating, with the payment network, a second information packet  
11 comprising the transaction information, the account information, and the authorization  
12 information; and  
13                  transmitting, with the payment network, the second information packet to the  
14 financial institution with a request to perform a debit transaction from the identified financial  
15 account for the specified cost of the Internet-based financial transaction.

1                   2.       The method recited in claim 1 further comprising:  
2                   receiving, with the payment network, a response from the financial institution  
3 indicating approval or denial of the debit transaction; and  
4                   transmitting, with the payment network, an authorization code to the Internet  
5 merchant indicating approval or denial of the Internet-based financial transaction in  
6 accordance with the response received from the financial institution.

1                   3.       The method recited in claim 2 further comprising:  
2                   performing, with the payment network, a risk analysis of the Internet-based  
3 financial transaction; and  
4                   determining, with the payment network, whether to provide a guarantee of the  
5 Internet-based transaction to the Internet merchant based on the risk analysis,  
6 wherein the authorization code further reflects whether the guarantee is  
7 provided.

1                   4.       The method recited in claim 1 wherein the second information packet  
2 is transmitted to the financial institution over an automated clearing house ("ACH") network.

1                   5.       The method recited in claim 1 wherein the second information packet  
2 is transmitted to the financial institution over a debit system.

1                   6.       The method recited in claim 1 wherein the second information packet  
2 is transmitted directly to the financial institution from the payment network.

1                   7.       The method recited in claim 1 wherein:  
2                   the account information comprises a primary account number ("PAN") for the  
3 identified financial account; and  
4                   the authorization information comprises a personal identification number  
5 ("PIN") assigned to the customer for accessing the identified financial account.

1                   8.       The method recited in claim 1 further comprising crediting, with the  
2 payment network, a loyalty program for the customer in response to execution of the Internet-  
3 based financial transaction.

1                   9.       The method recited in claim 1 wherein:  
2                   the credential comprises an electronic file having encrypted content received  
3 from the customer; and  
4                   determining account information comprises decrypting the encrypted content.

1                   10.      A method for coordinating an Internet-based financial transaction  
2 between an Internet merchant and a customer, the method comprising:  
3                   receiving, with a payment network, a first information packet comprising an  
4 electronic file having encrypted content and transaction information specifying at least a cost  
5 of the Internet-based financial transaction;  
6                   decrypting the electronic file, with the payment network, to recover a primary  
7 account number ("PAN") that identifies a financial account maintained by the customer at a  
8 financial institution and to recover a personal identification number ("PIN") assigned to the  
9 customer for accessing the identified financial account;  
10                  generating, with the payment network, a second information packet  
11 comprising the transaction information, the PAN, and the PIN;  
12                  transmitting, with the payment network, the second information packet to the  
13 financial institution with a request to perform a debit transaction from the identified financial  
14 account for the specified cost of the Internet-based financial transaction;

15                   receiving, with the payment network, a response from the financial institution  
16   indicating approval or denial of the debit transaction;  
17                   determining, with the payment network, whether to provide a guarantee of the  
18   Internet-based transaction to the Internet merchant;  
19                   determining, with the payment network, whether to credit a loyalty program  
20   for the customer; and  
21                   transmitting, with the payment network, an authorization code indicating  
22   approval or denial of the Internet-based transaction.

1                   11.    The method recited in claim 10 wherein:  
2                   the first information packet includes an identification of the Internet merchant;  
3   and  
4                   determining whether to provide the guarantee of the Internet-based transaction  
5   comprises determining whether the Internet merchant is one of an identified list of Internet  
6   merchants who request guarantees of all Internet-based financial transactions.

1                   12.    The method recited in claim 10 wherein determining whether to  
2   provide the guarantee of the Internet-based transaction comprises determining whether the  
3   transaction information is consistent with a predefined set of parameters.

1                   13.    The method recited in claim 10 wherein the first information packet  
2   further comprises a request from the Internet merchant for the guarantee of the Internet-based  
3   transaction.

1                   14.    A payment network comprising:  
2                   a communications device;  
3                   a processor;  
4                   a storage device; and  
5                   a memory coupled with the processor, the memory comprising a computer-  
6   readable medium having a computer-readable program embodied therein for directing  
7   operation of the payment network, the computer-readable program including:  
8                   instructions for receiving, with the communications device, a first  
9   information packet from the Internet merchant, the first information packet comprising a  
10   credential assigned to the customer and transaction information specifying at least a cost of  
11   the Internet-based financial transaction;

12                   instructions for determining from the credential, with the processor,  
13   account information that identifies a financial account maintained by the customer at a  
14   financial institution and authorization information that allows debit access to the identified  
15   financial account;  
16                   instructions for generating, with the processor, a second information  
17   packet comprising the transaction information, the account information, and the authorization  
18   information; and  
19                   instructions for transmitting, with the communications device, the  
20   second information packet to the financial institution with a request to perform a debit  
21   transaction from the identified financial account for the specified cost of the Internet-based  
22   financial transaction.

1                   15.    The payment network recited in claim 14 wherein the computer-  
2   readable program further includes:

3                   instructions for receiving, with the communications device, a response from  
4   the financial institution indicating approval or denial of the debit transaction; and  
5                   instructions for transmitting, with the communications device, an authorization  
6   code to the Internet merchant indicating approval or denial of the Internet-based financial  
7   transaction in accordance with the response received from the financial institution.

1                   16.    The payment network recited in claim 15 wherein the computer-  
2   readable program further includes:

3                   instructions for performing, with the processor, a risk analysis of the Internet-  
4   based financial transaction; and  
5                   instructions for determining, with the processor, whether to provide a  
6   guarantee of the Internet-based transaction to the Internet merchant based on the risk analysis,  
7                   wherein the authorization code further reflects whether the guarantee is  
8   provided.

1                   17.    The payment network recited in claim 16 wherein:  
2                   the first information packet includes an identification of the Internet merchant;  
3   and  
4                   the instructions for determining whether to provide the guarantee of the  
5   Internet-based transaction comprise instructions for determining whether the Internet

6 merchant is one of an identified list stored on the storage device of Internet merchants who  
7 request guarantees of all Internet-based financial transactions.

1 18. The payment network recited in claim 16 wherein the instructions for  
2 determining whether to provide the guarantee of the Internet-based transaction comprise  
3 instructions for determining whether the transaction information is consistent with a  
4 predefined set of parameters.

1 19. The payment network recited in claim 16 wherein the first information  
2 packet further comprises a request from the Internet merchant for the guarantee of the  
3 Internet-based transaction.

1 20. The payment network recited in claim 14 wherein:  
2 the communications system is coupled with an automated clearing house  
3 (“ACH”) network; and  
4 the instructions for transmitting the second information packet to the financial  
5 institution comprise instructions for transmitting the second information packet over the ACH  
6 network.

1 21. The payment network recited in claim 14 wherein the instructions for  
2 transmitting the second information packet to the financial institution comprise instructions  
3 for transmitting the second information packet over a debit system.

1 22. The payment network recited in claim 14 wherein the instructions for  
2 transmitting the second information packet comprise instructions for transmitting the second  
3 information packet directly to the financial institution from the communications device.

1 23. The payment network recited in claim 14 wherein:  
2 the account information comprises a primary account number (“PAN”) for the  
3 identified financial account; and  
4 the authorization information comprises a personal identification number  
5 (“PIN”) assigned to the customer for accessing the identified financial account.

1 24. The payment network recited in claim 14 wherein the computer-  
2 readable program further comprises instructions for crediting, with the processor, a loyalty  
3 program for the customer in response to execution of the Internet-based financial transaction.

1                   25.     The payment network recited in claim 14 wherein:  
2                   the credential comprises an electronic file having encrypted content received  
3     from the customer; and  
4                   the instructions for determining account information comprise instructions for  
5     decrypting the encrypted content.